

REAL INTERSTATE DRIVER EQUITY ACT OF 2001

NOVEMBER 13, 2001.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. YOUNG of Alaska, from the Committee on Transportation and Infrastructure, submitted the following

R E P O R T

[To accompany H.R. 2546]

[Including cost estimate of the Congressional Budget Office]

The Committee on Transportation and Infrastructure, to whom was referred the bill (H.R. 2546) to amend title 49, United States Code, to prohibit States from requiring a license or fee on account of the fact that a motor vehicle is providing interstate pre-arranged ground transportation service, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Real Interstate Driver Equity Act of 2001”.

SEC. 2. REGULATION OF INTERSTATE PRE-ARRANGED GROUND TRANSPORTATION SERVICE.

Section 14501 of title 49, United States Code, is amended by adding at the end the following:

“(d) PRE-ARRANGED GROUND TRANSPORTATION.—

“(1) IN GENERAL.—No State or political subdivision thereof and no interstate agency or other political agency of 2 or more States shall enact or enforce any law, rule, regulation, standard or other provision having the force and effect of law requiring a license or fee on account of the fact that a motor vehicle is providing pre-arranged ground transportation service if the motor carrier providing such service—

“(A) meets all applicable registration requirements under chapter 139 for the interstate transportation of passengers;

“(B) meets all applicable vehicle and intrastate passenger licensing requirements of the State or States in which the motor carrier is domiciled or registered to do business; and

“(C) is providing such service pursuant to a contract for—

“(i) travel from one State, including intermediate stops, to a destination in another State; or

“(ii) travel from one State, including one or more intermediate stops in another State, to a destination in the original State.

“(2) MATTERS NOT COVERED.—Nothing in this subsection shall be construed—

“(A) as subjecting taxicab service to regulation under chapter 135 or section 31138;

“(B) as prohibiting or restricting an airport, train, or bus terminal operator from contracting to provide preferential access or facilities to one or more providers of pre-arranged ground transportation service; and

“(C) as restricting the right of any State or political subdivision of a State to require that any individual operating a vehicle providing prearranged ground transportation service originating in the State or political subdivision have submitted to a criminal background investigation of the records of the State in which the operator is domiciled, by the motor carrier providing such service or by the State or political subdivision by which the operator is licensed to provide such service, as a condition of providing such service.”.

SEC. 3. DEFINITIONS.

(a) IN GENERAL.—Section 13102 of title 49, United States Code, is amended—

(1) by redesignating paragraphs (17), (18), (19), (20), (21), and (22) as paragraphs (18), (19), (21), (22), (23), and (24), respectively;

(2) by inserting after paragraph (16) the following:

“(17) PRE-ARRANGED GROUND TRANSPORTATION SERVICE.—The term ‘pre-arranged ground transportation service’ means transportation for a passenger (or a group of passengers) that is arranged in advance (or is operated on a regular route or between specified points) and is provided in a motor vehicle with a seating capacity not exceeding 15 passengers (including the driver).”; and

(3) by inserting after paragraph (19) (as so redesignated) the following:

“(20) TAXICAB SERVICE.—The term ‘taxicab service’ means passenger transportation in a motor vehicle having a capacity of not more than 8 passengers (including the driver), not operated on a regular route or between specified places, and that—

“(A) is licensed as a taxicab by a State or a local jurisdiction; or

“(B) is offered by a person that—

“(i) provides local transportation for a fare determined (except with respect to transportation to or from airports) primarily on the basis of the distance traveled; and

“(ii) does not primarily provide transportation to or from airports.”.

(b) CONFORMING AMENDMENTS.—

(1) MOTOR CARRIER TRANSPORTATION.—Section 13506(a)(2) of title 49, United States Code, is amended to read as follows:

“(2) a motor vehicle providing taxicab service;”.

(2) MINIMUM FINANCIAL RESPONSIBILITY.—Section 31138(e)(2) of such title is amended to read as follows:

“(2) providing taxicab service (as defined in section 13102);”.

PURPOSE AND SUMMARY

Both the 106th and 107th Congress worked to address a regulatory situation where for-hire vehicles could be regulated by multiple local jurisdictions while operating in pre-arranged interstate commerce. H.R. 2546, the Real Interstate Driver Equity Act of 2001 amends Federal transportation law to prohibit a State or political subdivision and interstate agency of two or more States from enacting or enforcing any law, rule, or regulation requiring a license or fee on account that a motor vehicle is providing pre-arranged interstate ground transportation service.

Section two of H.R. 2546 clarifies that a state or local government or an interstate agency may not regulate pre-arranged interstate ground transportation provided by carriers that meet all applicable vehicle and intrastate passenger transportation licensing requirements under state law. Further, the carriers (taxicab, airport shuttle, black car, sedan and limousine) must be providing interstate transportation in accordance with the Interstate Commerce Act.

This bill would not prohibit airport, train, or bus terminal operators from providing preferential access or facilities to one or more

transportation provider. In addition, a state or local government cannot be prohibited from requiring a criminal background investigation prior to any driver picking up passengers within its jurisdiction for interstate transportation. The Committee expects that drivers providing interstate transportation will not be treated in a discriminatory fashion.

Interstate ground transportation includes any trip in which one or more passengers are picked up in one state and taken to any intermediate or final destination in another state. This bill prohibits the intermediate jurisdiction from requiring licenses or other permits involving pre-arranged ground transportation where one or more passengers expect to conduct personal or business activities before continuing their trip outside the intermediate jurisdiction.

A destination is an intermediate destination only if the driver does not perform any service for an additional passenger or group of passengers while waiting to transport the first passenger or passengers to the next destination and ultimately to reach their final destination outside the intermediate jurisdiction. In addition, an airport shuttle is providing interstate ground transportation when it transports unrelated passengers at multiple locations within one state while traveling to, or from, an airport within another state. Intrastate stops should not affect the interstate nature of each individual arrangement, provided that no passenger's trip starts and ends within the same state.

Section three of H.R. 2546 clarifies the extent of the taxicab service exemption from regulation by the Department of Transportation. Taxicab service is defined by reference to local law and functional characteristics. The bill would increase the vehicle size from six passengers to eight passengers (including the driver), to conform to the commercial motor vehicle safety provisions of the Transportation Equity Act for the 21st Century (P.L. 105-178).

HEARINGS AND LEGISLATIVE HISTORY

The Committee on Transportation and Infrastructure did not hold hearings on this bill.

COMMITTEE CONSIDERATION

On November 7, 2001, the Subcommittee on Highways and Transit was discharged from further consideration H.R. 2546. On November 7, 2001, the Full Committee met in open markup session and approved H.R. 2546, as amended, by voice vote.

ROLLCALL VOTES

Clause 3(b) of rule XIII of the Rules of the House of Representatives requires the Committee to list the record votes on the motion to report legislation and amendments thereto.

Congressman Thomas Petri of Wisconsin offered an amendment that would protect the right of a State or political subdivision of a State to require a criminal background investigation of the records of the State in which a carrier of a for-hire vehicle is domiciled. The amendment passed by voice vote.

COMMITTEE OVERSIGHT FINDINGS

Pursuant to clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee has held no oversight hearings.

STATEMENT OF GENERAL PERFORMANCE GOALS AND OBJECTIVES

The objective of this bill is to prohibit a State or political subdivision and interstate agency of two or more States from enacting or enforcing any law, rule, or regulation requiring a license or fee on account that a motor vehicle is providing pre-arranged ground transportation service.

COST OF LEGISLATION

Clause 3(c)(2) of rule XIII of the Rules of the House of Representatives does not apply where a cost estimate and comparison prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974 has been timely submitted prior to the filing of the report and is included in the report. Such a cost estimate is included in this report.

COMPLIANCE WITH HOUSE RULE XIII

1. With respect to the requirement of clause 3(c)(2) of rule XIII of the Rules of the House of Representatives, and 308(a) of the Congressional Budget Act of 1974, the Committee references the report of the Congressional Budget Office included below.

2. With respect to the requirement of clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 402 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for H.R. 2564 from the Director of the Congressional Budget Office.

U.S. CONGRESS,
CONGRESSIONAL BUDGET OFFICE,
Washington, DC, November 9, 2001.

Hon. DON YOUNG,
*Chairman, Committee on Transportation and Infrastructure,
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN: The Congressional Budget Office has prepared the enclosed cost estimate for H.R. 2546, the Real Interstate Driver Equity Act of 2001.

If you wish further details on this estimate, we will be pleased to provide them. The CBO staff contacts are Rachel Milberg (for federal costs), and Susan Sieg Tompkins (for state and local costs).

Sincerely,

BARRY B. ANDERSON
(For Dan L. Crippen, Director).

Enclosure.

H.R. 2546—Real Interstate Driver Equity Act of 2001

H.R. 2546 would prohibit states from requiring limousine or shuttle operators to obtain a license or pay a fee in order to provide interstate service. CBO estimates that H.R. 2546 would not have a significant effect on the federal budget because the bill would not expand the regulatory or enforcement authorities of federal agen-

cies. This bill would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply.

Prohibiting state and local governments from requiring certain licenses and fees would be an intergovernmental mandate as defined in the Unfunded Mandates Reform Act (UMRA). CBO estimates that the cost of this mandate, primarily lost revenues from fees and penalties, would be well below the threshold established in UMRA (\$56 million in 2001, adjusted annually for inflation). This bill contains no new private-sector mandates as defined in UMRA.

The CBO staff contacts for this estimate are Rachel Milberg (for federal costs), and Susan Sieg Tompkins (for the state and local costs). This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.

CONSTITUTIONAL AUTHORITY STATEMENT

Pursuant to clause (3)(d)(1) of rule XIII of the Rules of the House of Representatives, committee reports on a bill or joint resolution of a public character shall include a statement citing the specific powers granted to the Congress in the Constitution to enact the measure. The Committee on Transportation and Infrastructure finds that Congress has the authority to enact this measure pursuant to its powers granted under article I, section 8 of the Constitution.

FEDERAL MANDATES STATEMENT

The Committee adopts as its own the estimate of Federal mandates prepared by the Director of the Congressional Budget Office pursuant to section 423 of the Unfunded Mandates Reform Act (Public Law 104-4).

ADVISORY COMMITTEE STATEMENT

No advisory committees within the meaning of section 5(b) of the Federal Advisory Committee Act were created by this legislation.

APPLICABILITY TO THE LEGISLATIVE BRANCH

The Committee finds that the legislation does not relate to the terms and conditions of employment or access to public services or accommodations within the meaning of section 102(b)(3) of the Congressional Accountability Act (Public Law 104-1).

COMMITTEE CORRESPONDENCE

HOUSE OF REPRESENTATIVES,
COMMITTEE ON ENERGY AND COMMERCE,
Washington, DC, November 13, 2001.

Hon. DON YOUNG,
*Chairman, Committee on Transportation,
Rayburn House Office Building, Washington, DC.*

DEAR CHAIRMAN YOUNG: I am writing with regard to H.R. 2546, the Real Interstate Driver Equity Act of 2001. As you know, Rule X of the Rules of the House of Representatives grants the Committee on Energy and Commerce jurisdiction over interstate commerce. H.R. 2546 deals in significant part with such matters, and is therefore within the jurisdiction of my Committee.

I recognize your desire to bring this legislation before the House in an expeditious manner. Accordingly, I will not exercise my Committee's right to a referral. By agreeing to waive its consideration of the bill, however, the Energy and Commerce Committee does not waive its jurisdiction over H.R. 2546. In addition, the Energy and Commerce Committee reserves its authority to seek conferees on any provisions of the bill that are within its jurisdiction during any House-Senate conference that may be convened on this legislation. I ask for your commitment to support any request by the Commerce Committee for conferees on H.R. 2546 or similar legislation.

I request that you include this letter as a part of the Committee's report on H.R. 2546 and as part of the Record during consideration of the legislation on the House floor.

Thank you for your attention to these matters.

Sincerely,

W.J. "BILLY" TAUZIN,
Chairman.

HOUSE OF REPRESENTATIVES,
COMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE,
Washington, DC, November 13, 2001.

Hon. W.J. (BILLY) TAUZIN,
*Chairman, Committee on Energy and Commerce,
Rayburn House Office Building, Washington, DC.*

DEAR CHAIRMAN TAUZIN: Thank you for your letter of November 13, 2001, regarding H.R. 2546, the "Real Interstate Driver Equity Act of 2001" and for your willingness to waive consideration of provisions in the bill that are under your committee's jurisdiction under House Rules.

I agree that your waiving consideration of relevant provisions of H.R. 2546 does not waive your committee's jurisdiction over the bill. I also acknowledge your right to seek conferees on any provisions that are within your committee's jurisdiction during any House-Senate conference on H.R. 2546 or similar legislation, and would support your request for conferees on such provisions.

Your letter and this response will be included in the record during floor consideration of the bill.

Thank you for your cooperation in this matter.

Sincerely,

DON YOUNG,
Chairman.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3(e) of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

TITLE 49, UNITED STATES CODE

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SUBTITLE IV—INTERSTATE TRANSPORTATION

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PART B—MOTOR CARRIERS, WATER CARRIERS, BROKERS, AND FREIGHT FORWARDERS

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CHAPTER 131—GENERAL PROVISIONS

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§ 13102. Definitions

In this part, the following definitions shall apply:

(1) * * *

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(17) PRE-ARRANGED GROUND TRANSPORTATION SERVICE.—*The term “pre-arranged ground transportation service” means transportation for a passenger (or a group of passengers) that is arranged in advance (or is operated on a regular route or between specified points) and is provided in a motor vehicle with a seating capacity not exceeding 15 passengers (including the driver).*

[(17)] (18) SECRETARY.—The term “Secretary” means the Secretary of Transportation.

[(18)] (19) STATE.—The term “State” means the 50 States of the United States and the District of Columbia.

(20) TAXICAB SERVICE.—*The term “taxicab service” means passenger transportation in a motor vehicle having a capacity of not more than 8 passengers (including the driver), not operated on a regular route or between specified places, and that—*

(A) is licensed as a taxicab by a State or a local jurisdiction; or

(B) is offered by a person that—

(i) provides local transportation for a fare determined (except with respect to transportation to or from airports) primarily on the basis of the distance traveled; and

(ii) does not primarily provide transportation to or from airports.

[(19)] (21) TRANSPORTATION.—The term “transportation” includes—

(A) * * *

* * * * *

[(20)] (22) UNITED STATES.—The term “United States” means the States of the United States and the District of Columbia.

[(21)] (23) VESSEL.—The term “vessel” means a watercraft or other artificial contrivance that is used, is capable of being used, or is intended to be used, as a means of transportation by water.

[(22)] (24) WATER CARRIER.—The term “water carrier” means a person providing water transportation for compensation.

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CHAPTER 135—JURISDICTION

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§ 13506. Miscellaneous motor carrier transportation exemptions

(a) IN GENERAL.—Neither the Secretary nor the Board has jurisdiction under this part over—

(1) * * *

[(2) a motor vehicle providing taxicab service and having a capacity of not more than 6 passengers and not operated on a regular route or between specified places;]

(2) *a motor vehicle providing taxicab service;*

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CHAPTER 145—FEDERAL-STATE RELATIONS

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§ 14501. Federal authority over intrastate transportation

(a) * * *

* * * * *

(d) *PRE-ARRANGED GROUND TRANSPORTATION.*—

(1) *IN GENERAL.*—No State or political subdivision thereof and no interstate agency or other political agency of 2 or more States shall enact or enforce any law, rule, regulation, standard or other provision having the force and effect of law requiring a license or fee on account of the fact that a motor vehicle is providing pre-arranged ground transportation service if the motor carrier providing such service—

(A) *meets all applicable registration requirements under chapter 139 for the interstate transportation of passengers;*

(B) *meets all applicable vehicle and intrastate passenger licensing requirements of the State or States in which the motor carrier is domiciled or registered to do business; and*

(C) *is providing such service pursuant to a contract for—*

(i) *travel from one State, including intermediate stops, to a destination in another State; or*

(ii) *travel from one State, including one or more intermediate stops in another State, to a destination in the original State.*

(2) *MATTERS NOT COVERED.*—Nothing in this subsection shall be construed—

(A) *as subjecting taxicab service to regulation under chapter 135 or section 31138;*

(B) *as prohibiting or restricting an airport, train, or bus terminal operator from contracting to provide preferential access or facilities to one or more providers of pre-arranged ground transportation service; and*

(C) as restricting the right of any State or political subdivision of a State to require that any individual operating a vehicle providing prearranged ground transportation service originating in the State or political subdivision have submitted to a criminal background investigation of the records of the State in which the operator is domiciled, by the motor carrier providing such service or by the State or political subdivision by which the operator is licensed to provide such service, as a condition of providing such service.

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SUBTITLE VI—MOTOR VEHICLE AND DRIVER PROGRAMS

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PART B—COMMERCIAL

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SUBCHAPTER III—SAFETY REGULATION

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§ 31138. Minimum financial responsibility for transporting passengers

(a) * * *

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(e) NONAPPLICATION.—This section does not apply to a motor vehicle—

(1) * * *

[(2) providing taxicab service, having a seating capacity of not more than 6 passengers, and not being operated on a regular route or between specified places;]

(2) *providing taxicab service (as defined in section 13102);*

* * * * *